

Senate Study Bill 1222 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON EDLER)

A BILL FOR

1 An Act relating to the provision of transportation services
2 under the Medicaid program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **324A.8 Application to Medicaid**
2 **managed care organizations.**

3 For the purposes of this chapter, a Medicaid managed
4 care organization under contract with the department of
5 human services to provide services, including nonemergency
6 medical transportation and home and community-based services
7 waiver transportation services, to Medicaid members, shall
8 be considered an entity receiving federal, state, or local
9 aid to provide or contract for public transit services or
10 transportation to a specific client group. In addition to all
11 other applicable requirements under this chapter, in order to
12 comply with the requirement of coordinating and consolidating
13 funding and resulting services to the maximum extent possible
14 with the urban or regional transit system in providing or
15 contracting for public transit services or transportation to
16 a specific client group, Medicaid managed care organizations
17 shall provide an urban or regional transit system with the
18 right of first refusal in providing nonemergency medical
19 transportation and home and community-based services waiver
20 transportation services to Medicaid members.

21 Sec. 2. **NONEMERGENCY MEDICAL TRANSPORTATION AND**
22 **HOME AND COMMUNITY-BASED SERVICES WAIVER TRANSPORTATION**
23 **SERVICES — PUBLIC TRANSIT SYSTEMS — MEDICAID MANAGED CARE**
24 **ORGANIZATION CONTRACTS.** The department of human services shall
25 contractually require a Medicaid managed care organization,
26 when utilizing a public transit system to provide nonemergency
27 medical transportation or home and community-based services
28 waiver transportation services to Medicaid members, to do all
29 of the following:

30 1. Utilize the appropriate urban or regional transit system
31 as the coordinator of transportation services to efficiently
32 schedule shared trips to decrease the fragmentation of services
33 and the burden on Medicaid members.

34 2. Provide the urban or regional transit system the right of
35 first refusal in providing all such transportation services.

1 3. If a Medicaid member is also a federal Americans with
2 Disabilities Act (ADA) paratransit-eligible user of the
3 complementary paratransit service, provide cost-based Medicaid
4 services reimbursement for a paratransit trip rather than the
5 limited fare reimbursement amount authorized under 49 C.F.R.
6 §37.131(c) requiring subsidization through local tax levies.

7 4. Ensure that the reimbursement rate paid to the
8 appropriate urban or regional transit system for these services
9 is sufficient to avoid cost transference to and increased
10 expenditure of local tax levies, including local property
11 taxes.

12 5. Ensure compliance with this chapter.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill relates to the provision of nonemergency medical
17 transportation (NEMT) and home and community-based services
18 waiver transportation services through public transit systems
19 under the Medicaid program.

20 The bill provides that for the purposes of Code chapter 324A
21 (transportation programs), a Medicaid managed care organization
22 (MCO) under contract with the department of human services
23 (DHS) to provide Medicaid program services, including NEMT
24 and home and community-based services waiver transportation
25 services, to Medicaid members, shall be considered an entity
26 receiving federal, state, or local aid to provide or contract
27 for public transit services or transportation to a specific
28 client group. In part, the Code chapter requires that such an
29 entity must coordinate and consolidate funding and resulting
30 services, to the maximum extent possible, with the urban or
31 regional transit system; and must comply with certain criteria
32 including maximizing efficiencies, reducing duplication, and
33 coordinating the planning for transportation services at the
34 urban and regional level. The bill includes as part of the
35 requirement to coordinate and consolidate funding and resulting

1 services to the maximum extent possible, a requirement that
2 Medicaid managed care organizations shall provide an urban or
3 regional transit system with the right of first refusal in
4 providing nonemergency medical transportation and home and
5 community-based services waiver transportation services to
6 Medicaid members.

7 The bill also requires DHS to contractually require an
8 MCO, when utilizing public transit systems to provide NEMT
9 or home and community-based services waiver transportation
10 services to Medicaid members to: utilize the urban or
11 regional transit system as the coordinator of transportation
12 services to efficiently schedule shared trips to decrease the
13 fragmentation of services and the burden on Medicaid members;
14 provide the urban or regional transit system the right of first
15 refusal in providing all such transportation services; if a
16 Medicaid member is also a paratransit-eligible user of the
17 complementary paratransit service under the federal Americans
18 with Disabilities Act (ADA), provide cost-based Medicaid
19 services reimbursement for paratransit trips rather than the
20 reimbursement rate under the ADA which shall not exceed twice
21 the fare that would be charged to an individual paying full
22 fare and requiring subsidization through local tax levies;
23 ensure that the reimbursement rate paid to an urban or regional
24 transit system for these services is sufficient to avoid cost
25 transference to and increased expenditure of local tax levies,
26 including local property taxes; and ensure compliance with Code
27 chapter 324A.